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# State of Utah

## DEPARTMENT OF NATURAL RESOURCES

BRIAN C. STEED  
Executive Director

### Division of Water Resources

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Division Director

July 1, 2019

To Whom It May Concern:

The Divisions of Water Resources and Water Rights would like to make you aware of Senate Bill 52 Secondary Water Requirements (SB 52) that was passed in the 2019 legislative session. **Please Note** that SB 52 only applies to irrigation companies and community water systems who provide pressurized secondary (non-culinary) water to their customers/shareholders for lawn and garden (non-agriculture).

A summary of the requirements of SB52 are as follows:

1. Entities must install meters on all **NEW** connections designed after April 1, 2020.
2. Entities must, before December 31, 2019, submit to the Utah Division of Water Resources a plan for how metering of individual connections will be implemented for their system.
3. Entities must report annually their water use data to the Utah Division of Water Rights.
4. Funding is available to assist in the costs of installing meters.

Details for each requirement:

1. **New Construction Meter Requirement** - An entity that currently provides pressurized secondary (non-culinary and non-agriculture) irrigation water to end users must install meters on all new secondary irrigation connections designed after April 1, 2020. This includes all commercial, industrial, institutional and residential secondary connections.
2. **Metering Plan Requirement** - An entity that provides pressurized secondary irrigation water to end users must, before December 31, 2019, submit a plan for metering individual connections' secondary water use to the Utah Division of Water Resources. The plan must include:
  - The cost of full metering
  - The proposed process and how long it would take the entity to complete full metering (including start and end dates)
  - How the entity will finance the cost of metering

Included in this packet is a secondary water metering plan template which can be filled out and mailed or emailed to the Division of Water Resources or preferably, filled out online at <https://water.utah.gov/secondarymeteringplan>.





For questions or more information on the secondary water metering plan required by the Division of Water Resources please contact Anny Baynard by phone at 801-538-7263 or by email at [annmerrill@utah.gov](mailto:annmerrill@utah.gov).

3. **Annual Water Use Reporting Requirement** - An entity that provides pressurized secondary irrigation shall, by March 31 of every year, report the following to the Utah Division of Water Rights for the previous calendar year:
- The amount of secondary irrigation water used by metered commercial, industrial, institutional and residential connections
  - The number of secondary water meters within the secondary water supplier's service boundary
  - A description of the secondary water supplier's service boundary (map)
  - The number of service connections in each of the following categories: Commercial, Industrial, Institutional and Residential
  - The total volume of water that the secondary water supplier receives from its sources
  - The dates of service during the preceding 12-month period in which the secondary water supplier supplied pressurized secondary water

For more information on the reporting to the Division of Water Rights please contact Frank Quintana by phone at 801-538-7223 or by email at [frankquintana@utah.gov](mailto:frankquintana@utah.gov).

4. **Funding from the Board of Water Resources** - The Utah Board of Water Resources (through the Division of Water Resources) may make available up to \$10 million each year in low-interest loans to fund the installation of new secondary irrigation water meters. Typical financing terms and conditions include:
- An 85/15% (Water Resources/Local Entity) project funding split
  - 1% interest rate on the financing from the Division of Water Resources
  - Repayment period of five years less than the meter's warranty
  - The funding recipient must incorporate an educational component on its billing statement and/or the entity must charge based on usage with a tiered conservation water rate
  - Additional requirements typical of normal Water Resources funded projects

Included in the packet is detailed information on the Division's funding program for secondary water metering.

A handwritten signature in blue ink, appearing to read "Eric Millis", is written over a horizontal line.

Eric Millis, P.E.  
Director, Division of Water Resources

A handwritten signature in blue ink, appearing to read "Kent Jones", is written over a horizontal line.

Kent Jones, P.E.  
State Engineer, Division of Water Rights

## **SECONDARY WATER METER FUNDING PROGRAM**

### **UTAH BOARD OF WATER RESOURCES**

- ❖ The Utah Board of Water Resources will allocate up to \$10 million in loan funding per year to entities interested in metering secondary use at the customer level.
  - The Board will require 15 percent cost-sharing from the project sponsor.
  - The interest rate on the loan will be 1 percent.
  - The repayment period of the loan shall be five years less than the warranty of the meters; not to exceed 30 years.
  - The loan will be allocated only for the installation of new secondary water meters, not the repair and replacement of existing meters, and will include funds for the meter itself, installation and equipment costs, meter-reading technology, the cost of databases and billing or reporting software. It will not include costs tied to ongoing reading of the meters, additional staffing, etc.
  - The Board will require either an educational component on the billing statement to the end user or that the entity charge based on usage with a tiered conservation rate.
  
- ❖ Entities who receive funding must comply with all provisions of Utah Code 73-10-34 (SB52).
  
- ❖ The Utah Board of Water Resources will utilize its existing funding mechanisms to facilitate secondary water metering installation utilizing funds from its Conservation and Development Fund.
  
- ❖ In order to obtain Board funding:
  - Governmental entities (towns, cities, water districts, etc.) will be required to sell the board a non-voted revenue bond.
  - Private water and irrigation companies must enter into a project purchase agreement with the Board of Water Resources.
  - Each type of funding (bond and purchase agreement) has its own unique set of requirements.
  
- ❖ Please refer to the Division of Water Resources' website ([water.utah.gov](http://water.utah.gov)) or call Todd Stonley (Project Funding Section Manager) at 801-538-7277 for more information about the division's funding program.
- ❖ It should be noted that there are other funding options available, including possible grants from the Federal government.

## Pressurized Secondary Water Metering Plan

Secondary Irrigation Co. / Water System Name \_\_\_\_\_

Address \_\_\_\_\_

City \_\_\_\_\_ County \_\_\_\_\_ Zip Code \_\_\_\_\_

Contact Person \_\_\_\_\_

Email \_\_\_\_\_

### Secondary Water Metering Information

Type of Connection	Number of Connections	Cost per Connection*	Total Cost
Residential			
Commercial			
Institutional			
Industrial			
Total			

\*The typical cost per 1 inch connection for secondary metering ranges between \$1,100-\$1,800 depending on secondary connection location (i.e. front of lot vs. back of lot). Be aware that the cost will vary depending on the size of the connection.

Please provide a time period for completing installation of secondary water meters on your system:

Estimated Start Date \_\_\_\_\_

Estimated Completion Date \_\_\_\_\_

If secondary water metering is required, how will you fund the installation of secondary water meters on your system?

Please provide any other relevant information on additional costs and concerns: